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# MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

## STATEWIDE JOBLESS RATE FALLS TO 6.1 PERCENT

Michigan's unemployment rate dropped by one full percentage point as the jobless rate fell from 7.1 percent in March to 6.1 percent in April. The rate decrease represents 46,000 fewer individuals out of work, as total state residents seeking employment declined to 278,000. The decrease in joblessness was primarily a result of a substantial number of unemployed jobseekers leaving the labor force in April. Total employment in April registered an increase as the number of employed state residents climbed by 16,000 to reach 4,259,000. Additionally, the civilian labor force contracted to 4,537,000, a loss of 31,000. Compared with a year ago, employment in Michigan has jumped by 72,000, while the size of the labor force has expanded by 9,000. In April 1988, the total number of persons out of work amounted to 341,000, representing an unemployment rate of 7.5 percent.

## JOB OPPORTUNITIES RISE DURING THE MONTH

Total nonagricultural wage and salary employment in Michigan rose as industry jobs climbed to 3,856,000 in April. Employment opportunities advanced by approximately 37,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries increased by 13,000 primarily as a result of seasonal gains in construction and automotive recalls. Service producing employment expanded by 24,000 to 2,766,000 in April, as both retail trade and services experienced considerable gains. Public sector positions slipped by 4,000 as local employment losses offset state level gains. Since April 1988, industry employment in Michigan has increased by 83,000 positions or 2.2 percent. Approximately 10,000 goods producing jobs have been added throughout the year, while service producing employment increased by 72,000.

# Civilian Labor Force, Employment, and Unemployment Estimates

**State of Michigan**

| ITEM | APR 1989 | MAR 1989 | FEB 1989 | APR 1988 |
|---|---|---|---|---|
| **PLACE OF RESIDENCE** | | | | |
| Civilian Labor Force | 4537 | 4568 | 4612 | 4528 |
| Employment | 4259 | 4243 | 4300 | 4187 |
| Unemployment | 278 | 324 | 312 | 341 |
| Rate | 6.1 | 7.1 | 6.8 | 7.5 |
| **PLACE OF WORK** | | | | |
| Wage and Salary Employment | 3856 | 3819 | 3810 | 3773 |
| Goods Producing Industries | 1090 | 1077 | 1075 | 1080 |
| Construction and Mining | 138 | 130 | 129 | 135 |
| Mining | 11 | 10 | 10 | 10 |
| Construction | 128 | 120 | 119 | 124 |
| Special trade Contractors | 83 | 80 | 80 | 81 |
| Other Construction | 44 | 40 | 39 | 43 |
| Manufacturing | 952 | 947 | 946 | 945 |
| Durable Goods | 732 | 727 | 725 | 725 |
| Lumber and Wood Products | 15 | 15 | 15 | 15 |
| Furniture and Fixtures | 35 | 34 | 34 | 33 |
| Stone, Clay and Glass Products | 20 | 19 | 19 | 18 |
| Metals | 167 | 167 | 167 | 164 |
| Primary Metals | 47 | 47 | 47 | 47 |
| Fabricated Metals | 120 | 120 | 120 | 117 |
| Nonelectrical Machinery | 123 | 124 | 123 | 118 |
| Electrical Machinery | 35 | 35 | 35 | 35 |
| Transportation Equipment | 314 | 310 | 309 | 318 |
| Motor Vehicles and Equipment | 296 | 292 | 292 | 299 |
| Other Transportation Equipment | 17 | 17 | 18 | 19 |
| Other Durable Goods | 23 | 23 | 23 | 23 |
| Nondurable Goods | 220 | 221 | 221 | 220 |
| Food and Kindred Products | 40 | 40 | 40 | 42 |
| Textiles and Apparel | 21 | 21 | 21 | 22 |
| Paper and Allied Products | 21 | 20 | 21 | 21 |
| Printing and Publishing | 43 | 43 | 43 | 42 |
| Chemicals and Petroleum | 44 | 44 | 44 | 43 |
| Other Nondurable Goods | 51 | 52 | 51 | 49 |
| Rubber and Plastic Prod. | 49 | 49 | 49 | 47 |
| Leather Products | 3 | 3 | 3 | 2 |
| Service Producing Industries | 2766 | 2742 | 2735 | 2694 |
| Trans., Comm. and Utilities | 153 | 151 | 150 | 154 |
| Transportation and Utilities | 120 | 118 | 117 | 119 |
| Communications | 33 | 33 | 33 | 35 |
| Wholesale Trade | 195 | 193 | 192 | 186 |
| Durable Goods | 125 | 124 | 124 | 119 |
| Nondurable Goods | 70 | 69 | 68 | 67 |
| Retail Trade | 707 | 695 | 691 | 686 |
| General Merchandise Stores | 99 | 99 | 100 | 98 |
| Food Stores | 107 | 106 | 105 | 98 |
| Automotive Dealers and Services | 78 | 78 | 77 | 78 |
| Eating and Drinking Places | 239 | 232 | 228 | 236 |
| Other Retail Trade | 184 | 180 | 179 | 176 |
| Finance, Insurance and Real Estate | 187 | 185 | 185 | 184 |
| Finance | 95 | 95 | 95 | 93 |
| Insurance and Real Estate | 91 | 90 | 90 | 91 |
| Services | 878 | 868 | 865 | 847 |
| Business Services | 189 | 189 | 188 | 182 |
| Health Services | 282 | 281 | 281 | 278 |
| Other Services | 407 | 399 | 397 | 387 |
| Government | 646 | 650 | 651 | 637 |
| Federal | 60 | 60 | 60 | 61 |
| State | 169 | 167 | 169 | 165 |
| Local | 417 | 423 | 422 | 411 |

**CIVILIAN LABOR FORCE** data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.

**WAGE AND SALARY EMPLOYMENT** is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

## CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits decreased for the second consecutive month in April. The regular benefits claims load averaged 116,822 per week during the month, approximately 14,315 less than the March total.

The 11 percent decrease was primarily due to a declining unemployment rate and an improved economy. In April 1988, the number of claimants drawing benefits under the regular benefit program averaged 130,684.

### WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

| Week Ending | Michigan | | | Detroit | | |
|---|---|---|---|---|---|---|
| | Total | Initial | Continued | Total | Initial | Continued |
| April 01, 1989 | 138,700 | 10,900 | 127,800 | 59,300 | 4,400 | 54,900 |
| April 08, 1989 | 135,800 | 12,300 | 123,500 | 58,100 | 5,100 | 53,000 |
| April 15, 1989 | 129,100 | 12,100 | 117,000 | 56,200 | 5,200 | 51,000 |
| April 22, 1989 | 122,000 | 11,400 | 110,600 | 54,100 | 4,800 | 49,300 |
| April 29, 1989 | 112,300 | 10,500 | 101,800 | 50,600 | 4,600 | 46,000 |

## CONSUMER PRICES CONTINUE TO RISE

Consumer prices in the Detroit metropolitan area increased from 120.1 in February to 121.7 in April. The increase in Detroit area prices was primarily due to higher costs for apparel and transportation. Prices in the area climbed by 6.4 percent since April 1988, when the consumer price index stood at 114.4. At the national level, the cost of living advanced by seven-tenths of a percent to reach 123.1 during the month.

The higher national prices were also due to additional costs for transportation, primarily gasoline. Between April 1988 and April 1989, national consumer prices increased by 5.1 percent. One year ago, the national index registered 117.1. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

## HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 43.6 hours in April. The decrease occurred primarily as a result of fewer hours worked by individuals in the automotive industry.

During the month average hourly earnings remained stable at $13.65, while average weekly earnings decreased by $4.09 to total $595.14. In April 1988, earnings averaged $13.50 an hour or $588.60 per week for a 43.6 hour workweek.

### MICHIGAN'S HOURS AND EARNINGS

| Industry | Average Weekly Earnings a/ | | | Average Weekly Hours a/ | | | Average Hourly Earnings a/ | | |
|---|---|---|---|---|---|---|---|---|---|
| | Apr 1989 | Mar 1989 | Apr 1988 | Apr 1989 | Mar 1989 | Apr 1988 | Apr 1989 | Mar 1989 | Apr 1988 |
| TOTAL MANUFACTURING | $595.14 | $599.23 | $588.60 | 43.6 | 43.9 | 43.6 | $13.65 | $13.65 | $13.50 |
| DURABLE GOODS | 630.63 | 634.48 | 624.10 | 44.1 | 44.4 | 44.2 | 14.30 | 14.29 | 14.12 |
| Primary Metal Products | 614.75 | 618.36 | 600.66 | 44.1 | 44.2 | 43.4 | 13.94 | 13.99 | 13.84 |
| Fabricated Metal Products | 597.18 | 592.47 | 583.30 | 43.4 | 43.5 | 43.4 | 13.76 | 13.62 | 13.44 |
| Nonelectrical Machinery | 603.44 | 611.56 | 594.91 | 44.6 | 45.1 | 44.1 | 13.53 | 13.56 | 13.49 |
| Electrical Machinery | 512.60 | 510.85 | 510.50 | 44.0 | 43.7 | 42.4 | 11.65 | 11.69 | 12.04 |
| Motor Vehicles & Equip. | 749.87 | 763.60 | 748.20 | 45.2 | 46.0 | 46.1 | 16.59 | 16.60 | 16.23 |
| NONDURABLE GOODS | 472.08 | 475.17 | 466.04 | 42.0 | 42.2 | 41.5 | 11.24 | 11.26 | 11.23 |
| Contract Construction | 615.55 | 612.86 | 607.99 | 38.4 | 38.4 | 39.2 | 16.03 | 15.96 | 15.51 |
| Department Stores | 182.69 | 176.08 | 170.85 | 26.4 | 26.8 | 28.1 | 6.92 | 6.57 | 6.08 |

***a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.***

**Note:** ***Current month data are preliminary.***

## CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
APRIL 1989 (Preliminary)

| Area | Civilian Labor Force | Total Employment | Total Unemployment | Unemployment Rate |
|---|---|---|---|---|
| United States | 122,576,000 | 116,347,000 | 6,229,000 | 5.1 |
| Michigan | 4,537,000 | 4,259,000 | 278,000 | 6.1 |
| **Major Labor Markets** | | | | |
| Ann Arbor MSA | 165,100 | 160,200 | 4,900 | 3.0 |
| Battle Creek MSA | 63,900 | 60,000 | 3,800 | 6.0 |
| Benton Harbor MSA | 79,100 | 74,300 | 4,800 | 6.1 |
| Detroit MSA | 2,175,000 | 2,047,000 | 128,000 | 5.9 |
| Flint MSA | 184,100 | 168,000 | 16,100 | 8.7 |
| Grand Rapids MSA | 360,800 | 344,600 | 16,200 | 4.5 |
| Jackson MSA | 65,300 | 61,400 | 3,900 | 5.9 |
| Kalamazoo MSA | 118,300 | 113,200 | 5,100 | 4.3 |
| Lansing MSA | 241,300 | 230,000 | 11,300 | 4.7 |
| Muskegon MSA | 66,400 | 61,200 | 5,200 | 7.8 |
| Saginaw-Bay-Midland MSA | 180,300 | 169,200 | 11,100 | 6.1 |
| Upper Peninsula LMA | 132,300 | 120,000 | 12,300 | 9.3 |
| **Major Counties** (15,000+) | | | | |
| Allegan | 54,750 | 52,300 | 2,450 | 4.5 |
| Barry | 22,075 | 20,850 | 1,225 | 5.6 |
| Bay | 52,325 | 48,450 | 3,875 | 7.4 |
| Branch | 18,000 | 16,950 | 1,050 | 5.9 |
| Cass | 23,000 | 21,825 | 1,175 | 5.1 |
| Clinton | 30,000 | 28,575 | 1,425 | 4.7 |
| Delta | 15,925 | 14,450 | 1,475 | 9.3 |
| Eaton | 52,400 | 49,950 | 2,450 | 4.7 |
| Grand Traverse | 34,825 | 32,325 | 2,500 | 7.2 |
| Gratiot | 18,075 | 16,825 | 1,225 | 6.8 |
| Hillsdale | 19,675 | 18,575 | 1,100 | 5.6 |
| Huron | 16,200 | 14,700 | 1,500 | 9.2 |
| Ingham | 158,875 | 151,500 | 7,375 | 4.6 |
| Ionia | 18,950 | 17,350 | 1,600 | 8.4 |
| Isabella | 30,575 | 29,100 | 1,450 | 4.8 |
| Kent | 265,075 | 252,875 | 12,200 | 4.6 |
| Lapeer | 33,250 | 30,700 | 2,550 | 7 7 |
| Lenawee | 42,550 | 40,200 | 2,350 | 5.5 |
| Livingston | 53,875 | 51,325 | 2,550 | 4.7 |
| Macomb | 378,300 | 357,325 | 20,975 | 5.5 |
| Marquette | 28,950 | 26,950 | 1,975 | 6.8 |
| Mecosta | 16,125 | 15,050 | 1,075 | 6.6 |
| Midland | 34,725 | 32,775 | 1,950 | 5.6 |
| Monroe | 63,325 | 59,750 | 3,575 | 5.6 |
| Montcalm | 23,975 | 22,250 | 1,725 | 7.2 |
| Newaygo | 17,500 | 16,050 | 1,450 | 8.3 |
| Oakland | 582,225 | 554,925 | 27,300 | 4.7 |
| Ottawa | 95,750 | 91,700 | 4,050 | 4.2 |
| Saginaw | 93,250 | 87,975 | 5,275 | 5.6 |
| St. Clair | 66,875 | 61,050 | 5,825 | 8.7 |
| St. Joseph | 26,850 | 25,225 | 1,625 | 6.1 |
| Sanilac | 19,825 | 18,075 | 1,775 | 8.9 |
| Shiawassee | 33,150 | 30,650 | 2,500 | 7.6 |
| Tuscola | 23,525 | 21,475 | 2,050 | 8.7 |
| Van Buren | 32,150 | 29,675 | 2,500 | 7.7 |
| Wayne | 997,625 | 932,000 | 65,600 | 6.6 |

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